DAVID E. ALLRED, P.C.

ATTORNEY & COUNSELOR AT LAW

7030 FAIN PARK DRIVE, SUITE 9 MONTGOMERY, ALABAMA 36117 POST OFFICE BOX 241594 MONTGOMERY, ALABAMA 36124-1594

TELEPHONE: (334) 396-9200 FACSIMILE: (334) 396-9977

DAVID E. ALLRED

Board Certified Civil Trial Specialist National Board of Trial Advocacy

E-MAIL:

dallred@allredpclaw.com

March 16, 2006

George M. Zoghby, Esq. SCOTT, SULLIVAN, STREETMAN & FOX, P.C. Post Office Box 1034 Mobile, Alabama 36633 By Facsimile (251) 433-1086 Confirmation by Mail

Re:

Peyton Ruud, et al. vs. Sears, Roebuck & Co., et al.

United States District Court, Middle District, Northern Division

Civil Action No. 2:05-cv-640

Dear George:

Following up on our conversation of this morning, this will advise that the plaintiff will settle all claims against the defendants for \$70,000. Earlier, the defendants offered \$15,000 to settle the claim. The plaintiff's demand of \$70,000 is fully negotiable and we would like to compromise the case and get it settled. If the defendants will make us another offer, I feel confident that we can find some common ground and get the case settled. In that regard, I do look forward to hearing from you.

Yours truly,

David E. Allred

DEA/bgf